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Department of Health and Family Services

**DIVISION OF HEALTH CARE FINANCING**


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**MEMORANDUM**

**DATE:** March 20, 2003

**TO:** All Pharmacies, Dispensing Physicians, HMOs, and Blood Banks

**FROM:** Mark B. Moody, Administrator   
Division of Health Care Financing

**SUBJECT** Updated Medicaid Pharmacy Handbook

**I. Updated Pharmacy Handbook**

Attached is a copy of the updated Wisconsin Medicaid Pharmacy Handbook. The Pharmacy Data Tables section is updated and has changes to the following tables:

- Appendix 1 – Numeric Listing of Manufacturers that have signed Rebate Agreements.
- Appendix 2 – Less than Effective/Identical, Related or Similar Drugs.
- Appendix 3 – Legend Drug Maximum Allowed Cost (MAC) List.
- Appendix 4 – Over-the-Counter Maximum Allowed Cost List.
- Appendix 6 – Wisconsin Medicaid Noncovered Drugs – Manufacturer Rebates Refused.

**II. All-Provider Handbook Included**

CD-ROM copies of the updated Wisconsin Medicaid Pharmacy Handbook include the All-Provider Handbook and the Disposable Medical Supply Handbook.

**III. SeniorCare Information**

CD-ROM copies of this updated Wisconsin Medicaid Pharmacy Handbook includes a new SeniorCare section. Additional information including the link for looking up SeniorCare covered drugs can be found at [www.dhfs.state.wi.us/seniorcare/index.htm](http://www.dhfs.state.wi.us/seniorcare/index.htm).

**IV. Prior Authorization Required for Brand name Anti-Hyperlipidemic Drugs Beginning April 15, 2003.**

Effective for dates of service on and after April 15, 2003, brand name Antihyperlipidemic drugs (Statins) require prior authorization (PA). PA will be available through the STAT PA system. The criteria for determining whether or not PA will be granted include:

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- ◆ Any recipient currently on an effective brand name Statin will be granted prior authorization to continue on that Statin drug.
- ◆ Any recipient who requires >35 percent LDL reduction, has impaired renal function, or is at high risk for drug interactions will be granted prior authorization to start on the brand name Statin drugs.
- ◆ Only recipients new to Statin drugs will be required to try Lovastatin first.

Attachment 1 is an optional worksheet with additional information.

**V. Prior Authorization Required for Brand name Proton Pump Inhibitor (PPI) Drugs Beginning May 7, 2003.**

Effective for dates of service on and after May 7, 2003, brand name Proton Pump Inhibitor (PPI) Drugs will require prior authorization (PA). PA will be available through the STAT PA system. All PPI drugs, including generic omeprazole, continue to be diagnosis restricted. PA for brand name PPIs will only be granted when a patient has tried and failed or had an adverse reaction to generic omeprazole. Attachment 2 is an optional worksheet with additional information.

**VI. Drug Addition Request/Correction Form Revised**

The Drug Addition Request/Correction Form is revised to include the pharmacist's signature certifying that the price listed on the invoice reflects actual costs net of rebates or any other discounts received from the drug wholesaler or any other entity. Attachment 3 is a copy of the new form for your use. This completed form plus a copy of your invoice must be received to process your request.

**VII. Over the Counter Claritin Covered**

Wisconsin Medicaid covers over-the-counter (OTC) Claritin (loratadine) and Alavert. OTC Claritin and Alavert are billable through the point-of-sale system. As with all covered OTC products in Medicaid, loratadine requires a prescription. As new generic loratadine products become available, they will be added to the Wisconsin Medicaid covered drug list.

Since SeniorCare does not cover OTCs, SeniorCare does not cover OTC Claritin.

**VIII. Additional Copies of Publications**

All Wisconsin Medicaid and BadgerCare Updates, as well as the Pharmacy Handbook and the All-Provider Handbook and the DMS handbook, can be downloaded from the Medicaid L.C. Web site at [www.dhfs.state.wi.us/medicaid/](http://www.dhfs.state.wi.us/medicaid/). Additional copies of the handbook may be downloaded from the CD-ROM.

Pharmacies will automatically receive a CD-ROM quarterly, unless they notify pharmacy Provider Services that they want only a paper copy. Pharmacies may receive either a CD-ROM or a paper copy, but not both.

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If you would like to receive only paper copies of pharmacy materials, please call Provider Services at (800) 947-9627 or (608) 221-9883.

If you have questions about the information in this handbook, please call Provider Services.

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Enclosures

## ATTACHMENT 1

### STAT-PA Drug Worksheet: Brand Name Cholesterol Lowering Drugs (Statins)

**This worksheet is to be used by pharmacists or dispensing physicians only!  
(NOT REQUIRED FOR PRESCRIBING PHYSICIANS)**

Generic cholesterol lowering drugs (statins) have NO RESTRICTIONS as to either diagnosis codes or prior authorization (PA). As with all innovator drugs, prescribers must write "Brand Medically Necessary" on all hard copies of the prescriptions and on each new nursing facility order sheet.

**REMINDER:** *The Specialized Transmission Approval Technology — PA (STAT-PA) Drug Worksheet is optional. This form is not required, but is provided as a guideline only to access STAT-PA or as provider documentation. The STAT-PA system will ask for the following items in the order listed below:*

Provider Number: \_\_\_\_\_

Recipient Medicaid Identification Number: \_\_\_\_\_

Recipient Name: \_\_\_\_\_

National Drug Code (NDC)/Procedure Code of Product Requested: \_\_\_\_\_

Type of Service:   D   Prescriber's Drug Enforcement Administration (DEA) Number: \_\_\_\_\_

Diagnosis Code: \_\_\_\_\_ (Use the recipient's *International Classification of Diseases, Ninth Revision, Clinical Modification* [ICD-9-CM] diagnosis code. The decimal is not necessary.)

Place of Service: \_\_\_\_\_

Date of Service: \_\_\_\_\_ (The date of service may be up to 31 days in the future, or up to four days in the past.)

Days' Supply Requested: \_\_\_\_\_

#### STAT-PA Request Checklist

ALL information must be checked within each category in order to be processed electronically.

- A. Is the patient currently stabilized on an effective brand name statin?
  - 1. If yes, approve PA request for up to 365 days.
  - 2. If no, then ask:
- B. Does this recipient require >35 percent LDL reduction, have impaired renal function, or have a high risk for drug interactions?
  - 1. If yes, approve PA request for up to 365 days.
  - 2. If no, then ask:
- C. Has the recipient tried and failed or had an adverse drug reaction to a generic statin?
  - 1. If yes, approve PA request for up to 365 days.
  - 2. If no, return the PA with the following message: "Your prior authorization request requires additional information. Please submit your request on paper with complete clinical documentation."

**OVER**

## ATTACHMENT 1

As the pharmacist, you have learned of this diagnosis or reason for use when:

- \_\_\_\_\_ a. The patient has informed you through patient consultation. In most cases, it is possible to learn the necessary information from the patient.
- \_\_\_\_\_ b. The physician wrote the diagnosis or reason for use on this form or on a prior prescription order for this drug.
- \_\_\_\_\_ **c. The physician or personnel in the physician's office informed you by telephone, either now or on a previous occasion.**

Assigned Prior Authorization Number: \_\_\_\_\_

Grant Date: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Number of Days Approved: \_\_\_\_\_

This is a New Prior Authorization Request: \_\_\_\_\_

This is a Renewed Prior Authorization Request: \_\_\_\_\_

### **Diagnosis Code Description**

Choose the most appropriate ICD-9-CM diagnosis. If the diagnosis is not a Food and Drug Administration-approved diagnosis for a particular drug, you must submit the PA request on a paper PA Request Form.

## ATTACHMENT 2

### STAT-PA Drug Worksheet: Brand Name Proton Pump Inhibitor Drugs (PPIs)

**This worksheet is to be used by pharmacists or dispensing physicians only!  
(NOT REQUIRED FOR PRESCRIBING PHYSICIANS)**

Generic proton pump inhibitor (PPIs) drugs have NO RESTRICTIONS as to prior authorization (PA). PPI drugs continue to be diagnosis restricted. As with all innovator drugs, prescribers must write “Brand Medically Necessary” on all hard copies of the prescriptions and on each new nursing facility order sheet.

**REMINDER:** *The Specialized Transmission Approval Technology — PA (STAT-PA) Drug Worksheet is optional. This form is not required, but is provided as a guideline only to access STAT-PA or as provider documentation. The STAT-PA system will ask for the following items in the order listed below:*

Provider Number: \_\_\_\_\_

Recipient Medicaid Identification Number: \_\_\_\_\_

Recipient Name: \_\_\_\_\_

National Drug Code (NDC)/Procedure Code of Product Requested: \_\_\_\_\_

Type of Service: D Prescriber’s Drug Enforcement Administration (DEA) Number: \_\_\_\_\_

Diagnosis Code: \_\_\_\_\_ (Use the recipient’s *International Classification of Diseases, Ninth Revision, Clinical Modification* [ICD-9-CM] diagnosis code. The decimal is not necessary.) **The diagnosis code must be one of the PPI approved codes. \***

Place of Service: \_\_\_\_\_

Date of Service: \_\_\_\_\_ (The date of service may be up to 31 days in the future, or up to four days in the past.)

Days’ Supply Requested: \_\_\_\_\_

#### STAT-PA Request Checklist

ALL information must be checked within each category in order to be processed electronically.

- A. Has the recipient tried and failed or had an adverse drug reaction to a generic PPI?
- If yes, approve PA request for up to 365 days.
  - If no, return the PA with the following message: “Your prior authorization request requires additional information. Please submit your request on paper with complete clinical documentation.”

\* Valid NDCs are:

E9356	NSAID-induced gastric ulcer, NSAID-induced duodenal ulcer
04186	H. Pylori infection
2515	Zollinger-Ellison syndrome
53019	Erosive esophagitis
53081	Gastroesophageal reflux
5368	Gastric hypersecretory condition

**OVER**

## ATTACHMENT 2

As the pharmacist, you have learned of this diagnosis or reason for use when:

- \_\_\_\_\_ a. The patient has informed you through patient consultation. In most cases, it is possible to learn the necessary information from the patient.
- \_\_\_\_\_ b. The physician wrote the diagnosis or reason for use on this form or on a prior prescription order for this drug.
- \_\_\_\_\_ **c. The physician or personnel in the physician's office informed you by telephone, either now or on a previous occasion.**

Assigned Prior Authorization Number: \_\_\_\_\_

Grant Date: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Number of Days Approved: \_\_\_\_\_

This is a New Prior Authorization Request: \_\_\_\_\_

This is a Renewed Prior Authorization Request: \_\_\_\_\_

### **Diagnosis Code Description**

Choose the most appropriate ICD-9-CM diagnosis. If the diagnosis is not a Food and Drug Administration-approved diagnosis for a particular drug, you must submit the PA request on a paper PA Request Form.

# ATTACHMENT 3

## Wisconsin Medicaid Drug Addition/Correction Request Form

This form must be used to request the addition of National Drug Code (NDC) billing codes for unlisted over-the-counter (OTC) drugs. Providers must use this form to notify Wisconsin Medicaid of pricing errors contained in the drug index. Pharmacies *must send/fax a copy of an invoice* to substantiate any price change in the Maximum Allowed Cost (MAC) list. New NDCs are automatically added to the Wisconsin Medicaid drug file subject to Wisconsin Medicaid limitations if the manufacturer has signed a drug rebate agreement with the Health Care Financing Administration. This form is to be used by Wisconsin Medicaid-certified providers only.

**MAIL TO:** Drug Price File  
Division of Health Care Financing  
P.O. Box 309  
Madison, WI 53701-0309

**FAX NUMBER:** (608) 266-1096

Provider Name: \_\_\_\_\_ Prov ID No: \_\_\_\_\_  
Street/Mail Address: \_\_\_\_\_ Tel No.: \_\_\_\_\_  
City, State, ZIP: \_\_\_\_\_

### NEW DRUG ADDITIONS

NDC (11 digit number)	Drug Name	Pkg Size	AWP	Disp Date	RX/OTC?

A — Added to Index as Requested; B — Already in Index; C — Less-Than-Effective (LTE) Drug (non-covered); D — Not Eligible for Coverage

### PRICE UPDATE/CORRECTION

NDC (11 digit number)	Drug Name	Pkg Size	Currently Allowed	Correct Price	Eff Date

Describe reason for drug price update request (e.g., no generic available at MAC price, manufacturer prices increase which is not reflected on Wisconsin Medicaid price file).

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**I certify that the price listed on the invoice reflects my actual net costs after rebates or any other discounts received from my drug wholesaler or any other entity.**

**Pharmacist Signature:**

**Date:**

**REMINDER:** Attach a copy of the invoice to verify any requests for price change.